

**Board Report**

File #: 2019-0563, **File Type:** Contract**Agenda Number:** 32.

**CONSTRUCTION COMMITTEE
SEPTEMBER 19, 2019****SUBJECT: I-5 SOUTH CAPACITY ENHANCEMENTS FROM ORANGE COUNTY LINE TO I-605****ACTION: APPROVE RECOMMENDATION****RECOMMENDATION**

AUTHORIZE Contract Modifications No. 102 & No. 103 (CCO 102 & CCO 103) by the California Department of Transportation (Caltrans) for the construction contract for Segment 3 (Shoemaker, Bloomfield and Rosecrans) of the I-5 South Capacity Enhancements Project from Orange County Line to I-605 (Project) under FUNDING AGREEMENT NO. MOU.P0004292 A/A3, in the total amount of \$5.03 million within the LOP budget.

ISSUE

The construction contract for Segment 3 of I-5 South Capacity Enhancements from 0.1 Mile North of Carmenita Road Overcrossing to 0.1 Mile North of Silverbow Avenue Pedestrian Overcrossing was awarded on August 14, 2012. Project completion and Caltrans' acceptance is expected in Fall 2019.

The Project encountered a number of problems including relocation of conflicting unidentified utilities, disposal of unidentified contaminated material, third party delays, community concerns resulting in additional out of scope work, and other issues resulting in claims totaling \$7.42 million.

Caltrans and the contractor have agreed to the final amount of \$5.03 million to settle all claims listed to-date.

Contract modifications exceeding \$500,000 require Board authorization.

BACKGROUND

The Project includes widening/upgrading of I-5 and inclusion of High Occupancy Vehicle (HOV) lanes between Orange County Line and I-605. Caltrans designed and managed construction of the Project comprising of five segments and Carmenita Interchange. Carmenita Interchange, Segment 1 and 3 are complete. Segments 2, 4, and 5 are currently under construction. Total life of project budget for the combined five segments and Carmenita Interchange is \$1.888 billion, which includes \$188.216 million for Segment 3. Additional items of work outside the original scope of the contract have been completed by the contractor; the cost of which was negotiated and agreed to by Caltrans and the

contractor.

DISCUSSION

CCO 102

CCO 102 is to compensate the contractor for the Time Related Overhead (TRO) payment for the additional/modified work requested by the City of Norwalk on July 18, 2018 and completed by the contractor on January 4, 2019 in Potential Claim Record (PCR) No. 6 with the Time Impact Analysis (TIA) #10.

After the Project's substantial completion on May 8, 2018, the contractor waited for the City's request for the additional/modified work. The request included corrections to the deck of the Silverbow Pedestrian Bridge, sidewalks, and the drainage systems on local streets.

This claim was reviewed and approved by Caltrans. The contractor will be compensated for the TRO cost of 168 working days (from May 08, 2018 to January 04, 2019) at \$3,300.00 per day for a total cost of \$554,400.

CCO 103

CCO 103 is to compensate the contractor for the payment of following claims:

1. Time Related Direct (TRD) Costs Claims:

A total of 256 working days were granted to the contractor during construction due to the soundwall blocks type revision, utilities conflicts, SCE's schedule to shut down power and contaminated soil removal. The contractor claimed the TRD costs incurred by these working days extension, which include the costs of temporary railings and crash cushions, equipment standby, labor and material escalations, and subcontractor escalation.

2. Stage 4 Earthwork Inefficiency Claims:

Additional cost and time were incurred throughout construction Stage 4 while attempting to excavate the footings for the abutments of Rosecrans and Bloomfield Bridges and the adjacent retaining walls. Several utility conflicts and right of way issues prevented the contractor from performing productive excavation and backfill work at multiple structures throughout the Project, causing the contractor to stockpile and handle the excavated soil multiple times as the excavated soil could not be efficiently transferred and balanced between simultaneous excavation and backfill locations as shown in the original contract plans. The contractor has requested additional compensation for all additional work. This cost increase includes costs of traffic control, equipment standby, Stormwater Pollution Prevention Plan (SWPPP), labor and material, and subcontractors.

After the review of the contractor's claims for Stage 4 Earthwork Inefficiency, Caltrans agreed to pay

\$4,477,266.30 to the contractor as the final and full compensation for all present, past, and future disputes between Caltrans and the contractor in this phase of Project. This entitlement includes: the delay impacts in TIA 1, 2, 3, and 5 and the markups, additional SWPPP costs, escalations costs, inefficiencies, loss of value associated with the TRO, and TRD costs in labor, materials, equipment, tools, and incidentals.

Authorization of CCO No.102 in the amount of \$554,400.00 and CCO No.103 in the amount of \$4,477,266.30 for a total of \$5.03 million will allow Caltrans to close out all outstanding claims and close this construction contract. The total cost of the CCO does not require an increase in the LOP budget.

DETERMINATION OF SAFETY IMPACT

There is no impact to public safety by approving this recommendation.

FINANCIAL IMPACT

The LOP budget of Segment 3, I-5 South Capacity Enhancements per the FUNDING AGREEMENT NO. MOU.P0004292 A/A3 is \$188,216,000, including \$151,429,000 in State Funds (RIP, GF STIP, CMIA, TCRP, and ITIP), and \$36,787,000 in local Measure R Highway 20% and Prop C 25% Funds.

Of the LOP budget, \$178,728,393 is spent to date; of this amount \$24,799,897 has been funded with Measure R (20%) and Prop C (25%) funds.

The up to \$5.03 million funds needed for CCO 102 & CCO 103 are within the LOP budget. For FY-20, \$25.6 million has been budgeted for the entire corridor within the Highway Subsidies, Cost Center 0442, I-5 South Capacity Enhancements, Projects 460337, 460338, 460339 and 460340, Account 54001 (Subsidies to Others).

Since this is a multi-year program, the Project Manager, the Cost Center Manager and the Senior Executive Officer, Program Management - Highway Program will be responsible for budgeting costs in future fiscal years.

Impact to Budget

The source of funds for this recommendation is Measure R (20%) and Prop C (25%) Highway Funds, which are not eligible for bus or rail operations. No other funds were considered.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Project is consistent with the following Metro Vision 2028 Goals and Objectives:

Goal 1: Providing high-quality mobility options that enable people to spend less time traveling by widening the freeway; providing additional capacity, and including HOV lanes to encourage carpooling and improve transit efficiency;

Goals 4 and 5: Transforming LA County through regional collaboration with Caltrans and the Corridor Cities by contributing funds and providing resources to assist Caltrans in management and delivery of these projects.

ALTERNATIVES CONSIDERED

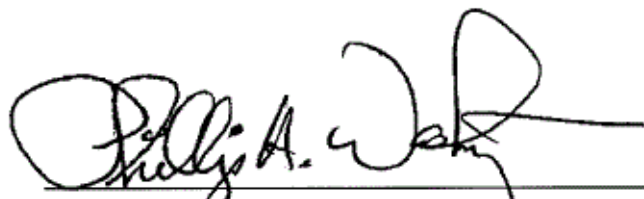
The Board may choose not to approve the staff's recommendation. However, this disapproval would result in further schedule delay, legal complications and cost increase.

NEXT STEPS

Upon Board's approval of the recommended action, Metro staff will authorize payment to the contractor.

Prepared by: Victor Gau, Director of Engineering, Highway Program (213) 922-3031
Abdollah Ansari, Senior Executive Officer, Highway Program (213) 922-4781
Bryan Pennington, Deputy Chief Program Management Officer (213) 922-7449

Reviewed by: Richard F. Clarke, Chief Program Management Officer (213) 922-7557



Phillip A. Washington
Chief Executive Officer